

ANNUAL FINANCIAL REPORT

CENTRAL VALLEY PROJECT IMPROVEMENT ACT Public Law 102-575, Title XXXIV

Revenues and Expenditures for the Periods:

October 1, 1995 - September 30, 1996 (Actual)

October 1, 1997 - September 30, 1998 (Projected)

May 1998

**Bureau of Reclamation
United States Department of the Interior**

TABLE OF CONTENTS

	<u>Page</u>
Summary	1
Actual Restoration Fund Revenues and Expenditures for Fiscal Year 1996 (Schedule 1)	3
Actual Friant Division Surcharges (Subsection 3406(c)(1)) for Fiscal Year 1996 (Schedule 2)	4
Actual Restoration Payments (Subsection 3407(c)&(d)) for Fiscal Year 1996 (Schedule 3)	5
Actual Expenditures for Fiscal Year 1996 (Schedule 4)	7
Projected Restoration Fund Revenues and Expenditures for Fiscal Year 1998 (Schedule 5)	8
Projected Friant Division Surcharges (Subsection 3406(c)(1)) for Fiscal Year 1998 (Schedule 6)	9
Projected Restoration Payments (Subsection 3407(c)&(d)) for Fiscal Year 1998 (Schedule 7)	10
Projected Expenditures for Fiscal Year 1998 (Schedule 8)	12

CENTRAL VALLEY PROJECT IMPROVEMENT ACT ANNUAL FINANCIAL REPORT

SUMMARY

Subsection 3407(f) of the Central Valley Project Improvement Act (Title XXXIV of Public Law 102-575) provides for an annual financial report to the Senate Committee on Energy and Natural Resources, the Committee on Appropriations of the Senate, the House Committee on Resources, and the Committee on Appropriations of the House of Representatives. The annual financial report is to describe all Restoration Fund revenues and expenditures during the prior fiscal year and projected Restoration Fund revenues and expenditures during the next upcoming fiscal year.

This report is the fourth annual financial report prepared pursuant to Subsection 3407(f) of the Central Valley Project Improvement Act (CVPIA) and covers fiscal year 1996 actual revenues and expenditures and fiscal year 1998 projected revenues and expenditures. For purposes of this report revenues are actual collections processed, and expenditures are obligations incurred. Schedules 1 through 4 provide summary information on fiscal year 1996 Restoration Fund revenues and expenditures. Schedules 5 through 8 provide summary information on projected fiscal year 1998 Restoration Fund revenues and expenditures.

Fiscal Year 1996

Fiscal year 1996 Restoration Fund revenues totaled \$46,293,153. Fiscal year 1996 Restoration Fund expenditures were \$31,522,620. The fiscal year 1996 Restoration Fund balance, \$41,250,257 (fiscal year 1995 carryover \$25,947,849 + fiscal year 1996 revenues exceeding expenditures \$14,770,533 + non-federal contributions \$531,875) was carried over into the fiscal year 1997 program. Schedule 1 summarizes fiscal year 1996 Restoration Fund revenues and expenditures, including the carryover from 1995, and the Restoration Fund balance at September 30, 1996. Schedules 2 and 3 provide detail information on fiscal year 1996 revenues, including power payments, and water (irrigation, and municipal and industrial) payments by water service area. Schedule 4 lists the fish and wildlife restoration activities funded during fiscal year 1996 and the amounts attributable to each activity.

Fiscal Year 1997

Fiscal year 1997 Restoration Fund revenues and expenditures are being compiled and reviewed at this time. Revenues and expenditures are expected to be approximately \$36.7 million and \$52.1 million respectively. Detailed fiscal year 1997 information will be in the next annual financial report.

Fiscal Year 1998

For fiscal year 1998, Restoration Fund revenues are projected to be \$33,082,000. Fiscal year 1998 CVPIA appropriations are projected to be \$40,650,000 (\$33,082,000 of fiscal year 1998 revenues plus \$7,568,000 carryover from previous years' revenues). Schedule 5 shows the projected revenue sources for fiscal year 1998 by authorizing subsection of the CVPIA.

Revenues:

Friant Division Surcharges	\$ 7,333,000
Tiered Water Charges	100,000
Restoration Payments	<u>25,649,000</u>

Total Projected Restoration Fund Revenues for Fiscal Year 1998	<u>\$33,082,000</u>
---	---------------------

The Restoration Fund revenues attributable to Project Water were projected by applying the applicable Restoration Fund rate to the projected paid fiscal year 1998 water deliveries. Annual Project Water delivery projections are updated annually under the Project's Irrigation and M&I water ratesetting policies, and these projections serve as the primary basis for projecting Restoration Fund water delivery revenues.

The Friant Division Surcharge rate for fiscal year 1998 is \$5 per acre-foot. Tiered Water rates specified in the contracts for delivered Project Water are based on percentages of contractors Project Water entitlements. The Restoration Payment rates for Project Water equate to a 1992 CPIU indexed rate of \$6 per acre-foot for irrigation water and \$12 per acre-foot for M&I water. These CPIU indexed rates are adjusted annually. No other Restoration Fund revenues are projected for fiscal year 1998, as provisions for such other charges are either not required or not anticipated to provide Restoration Funds in fiscal year 1998.

The fiscal year 1998 Restoration Fund appropriation of \$40,650,000 is shown in schedule 8. The schedule lists the fish and wildlife restoration activities projected to be funded during the fiscal year and the amounts attributable to each activity.

Central Valley Project Improvement Act
Restoration Fund Revenues and Expenditures
for Fiscal Year 1996

Revenues	<u>Fiscal Year 1996</u>
<u>Non-Discretionary Revenues</u>	
Pre-Renewal Charges (Subsection 3404(c)(3))	\$0
Tiered Water Rates (Subsection 3405(d))	0
Transferred Water Rates (Subsection 3405(a)(1)(B))	0
Friant Division Surcharges (Subsection 3406(c)(1)) -- See Schedule 2	8,117,936
M&I Surcharges (Subsection 3407(d)(2)(A))	<u>1,073</u>
Subtotal - Non-Discretionary Revenues	\$8,119,009
<u>Discretionary Revenues</u>	
Restoration Payments (Subsection 3407(c) & (d)) -- See Schedule 3	<u>38,174,144</u>
Total Restoration Fund Revenues	\$46,293,153
 <u>Expenditures</u>	
Expenditures (Subsections 3406 & 3408) -- See Schedule 4	<u>31,522,620</u>
Excess of Restoration Fund Revenues over Expenditures for Fiscal Year 1996	\$14,770,533
 <u>Contributions</u>	
Non-Federal Contributions (Subsection 3407(a))	531,875
Restoration Fund Balance at September 30, 1995	<u>25,947,849</u>
Restoration Fund Balance at September 30, 1996	<u>\$41,250,257</u>

Central Valley Project Improvement Act
Friant Division Surcharges (Subsection 3406(c)(1))
for Fiscal Year 1996

<u>WATER SALES REVENUES (\$)</u>			
<u>SERVICE AREA</u>	<u>IRRIGATION</u>	<u>M&I</u>	<u>TOTAL</u>
FRIANT-KERN CANAL	\$6,023,747	\$157,941	\$6,181,688
MADERA CANAL	1,597,648	0	1,597,648
FRIANT DAM	83,049	863	83,912
MENDOTA POOL	254,688	0	254,688
Total	<u>\$7,959,132</u>	<u>\$158,804</u>	<u>\$8,117,936</u>

Central Valley Project Improvement Act
Restoration Payments (Subsection 3407(c) & (d))
for Fiscal Year 1996

WATER SALES REVENUES (\$)			
SERVICE AREA	IRRIGATION	M&I	TOTAL
FOLSOM			
Folsom Dam & Reservoir	(\$3,385)	\$461,556	\$458,171
Folsom-South Canal	971	41,330	42,301
Sugar Pine Dam & Reservoir	0	8,587	8,587
Sly Park Dam & Reservoir	22,733	179,742	202,475
Total Folsom	20,319	691,215	711,534
TRACY			
Contra Costa Canal	3,034	1,363,185	1,366,219
Delta-Mendota Canal	1,684,816	100,190	1,785,006
San Luis Canal-Tracy	1,184,098	7,880	1,191,978
New Melones Dam & Reservoir	72,335	0	72,335
San Felipe Unit	506,072	1,033,611	1,539,683
Total Tracy	3,450,355	2,504,866	5,955,221
FRESNO			
San Luis Canal-Fresno	7,449,029	161,780	7,610,809
Friant Dam	136,688	2,317	139,005
Friant-Kern Canal	9,627,843	682,582	10,310,425
Cross Valley Canal	1	0	1
Madera Canal	2,598,698	0	2,598,698
Delta-Mendota Pool	912,603	0	912,603
Buchanan Unit	156,720	0	156,720
Hidden Unit	156,720	0	156,720
Total Fresno	21,038,302	846,679	21,884,981
SHASTA			
Clear Creek Unit	22,272	18,746	41,018
Shasta Dam & Reservoir	0	36,185	36,185
Spring Creek Conduit	0	39,473	39,473
Cow Creek Unit	93,586	65,099	158,685
Toyon Pipeline	0	29,845	29,845
Sacramento River - Shasta	2,217	8,652	10,869
Total Shasta	118,075	198,000	316,075

Central Valley Project Improvement Act
Restoration Payments (Subsection 3407(c) & (d))
for Fiscal Year 1996

<u>WATER SALES REVENUES (\$)</u>			
SERVICE AREA	<u>IRRIGATION</u>	<u>M&I</u>	<u>TOTAL</u>
WILLOWS			
Corning Canal	(3,521)	91	(3,430)
Tehama-Colusa Canal	(13,866)	63	(13,803)
Black Butte Dam & Reservoir	43	1,024	1,067
Colusa Basin Drain	0	0	0
Feather River	75,625	0	75,625
Sacramento River - Willows	787,088	130,948	918,036
Total Willows	<u>845,369</u>	<u>132,126</u>	<u>977,495</u>
Restoration Payments			
Irrigation and M&I	<u>\$25,472,420</u>	<u>\$4,372,886</u>	<u>\$29,845,306</u>
Restoration Payment - Irrigation	\$25,472,420		
Restoration Payment - M&I	4,372,886		
Restoration Payment - Power	8,328,838		
Total	<u>\$38,174,144</u>		

Central Valley Project Improvement Act
Expenditures for Fiscal Year 1996

<u>FISH AND WILDLIFE RESTORATION ACTIVITIES</u>	<u>SUBSECTION</u>	<u>AMOUNT (\$)</u>
General Investigations		
Habitat Restoration, Improvement, & Acquisition		
San Joaquin River Basin Resource Mgt Initiative	3406(c)(1)	\$2,636
Construction		
Habitat Restoration, Improvement, & Acquisition		
Anadromous Fish Program	3406(b)(1)	1,433,603
Other CVP Impacts	3406(b)(1) Other	1,650
Dedicated Project Yield	3406(b)(2)	1,274,894
Water Acquisition	3406(b)(3)	1,768,901
CVP Water Augmentation Program (FWS)	3406(b)(3),3408(j)	58,764
Evaluate Project Operations	3406(b)(9)(19)	49,599
San Joaquin Basin Action Plan	3406(d)	943,490
Refuge Water Supply	3406(d)(1-4)	984,957
Refuge Wheeling	3406(d)(5)	2,065,569
Private Wetlands Investigation	3406(d)(6)	372,563
CVPIA Supporting Investigations	3406(e)	620,286
Project Fisheries Impacts	3406(f)	851,427
Ecosystem/Water Operations Study	3406(g)	183,788
Land Retirement	3408(h)	1,288,874
Water Conservation	3408(i)	777
Other Fish and Wildlife Restoration Activities		
Shasta Temperature Control Device	3406(b)(6)	16,970,281
Fish Passage Program	3406(b)(10)	(14,397)
Research Pumping Plant Evaluation	3406(b)(10)	(67,780)
Coleman National Fish Hatchery	3406(b)(11)	1,341,980
Clear Creek Restoration	3406(b)(12)	244,033
Spawning Gravel	3406(b)(13)	42,350
CVP Project Assessment/Monitoring Program	3406(b)(16)	887,887
Unscreened Diversions	3406(b)(21)	197,995
Flood Agr Lands for Waterfowl/Yld Enhancement	3406(b)(22)	18,493
Total Expenditures Fiscal Year 1996		<u>\$31,522,620</u>

**Central Valley Project Improvement Act
Projected Restoration Fund Revenues and Expenditures
for Fiscal Year 1998**

Revenues	<u>Fiscal Year 1998</u>
Pre-Renewal Charges (Subsection 3404(c)(3))	\$0 1\
Tiered Water Revenues (Subsection 3405(d))	100,000
Transfer Revenues (Subsection 3405(a)(1)(B))	0 2\
Friant Division Surcharges (Subsection 3406(c)(1)) – See Schedule 6	7,333,000
M&I Surcharges (Subsection 3407(d)(2)(A))	0 2\
Restoration Payments (Subsection 3407(c) & (d)) – See Schedule 7	<u>25,649,000</u>
Total Projected Restoration Fund Revenues	\$33,082,000
 Expenditures	
Expenditures (Subsections 3406 & 3408) – See Schedule 8	<u>40,650,000</u>
Excess (Shortage) of Restoration Fund Revenues over Expenditures for Fiscal Year 1998	(\$7,568,000)
 Contributions	
Non-Federal Contributions (Subsection 3407(a))	0 3\
Restoration Fund Balance (Deficit) at September 30, 1997	<u>7,568,000</u>
Projected Restoration Fund Balance (Deficit) at September 30, 1998	<u>\$0</u>

/1 Pre-Renewal Charges of less than \$1,000 from one contractor (Elk Creek CSD) are expected.

/2 Transfer Revenues and M&I Surcharges of less than \$1,000 from one contractor (U.S. Forest Service) are projected.

/3 Non-Federal Contributions (Subsection 3407(a)) are not projected until a historic basis for projecting such receipts is available.

Central Valley Project Improvement Act
Projected Friant Division Surcharges (Subsection 3406(c)(1))
for Fiscal Year 1998

<u>WATER SALES REVENUES (\$)</u>			
<u>SERVICE AREA</u>	<u>IRRIGATION</u>	<u>M&I</u>	<u>TOTAL</u>
FRIANT-KERN CANAL	\$5,521,412	\$312,447	\$5,833,859
MADERA CANAL	1,498,542	0	1,498,542
FRIANT DAM	0	599	599
Total	<u>\$7,019,954</u>	<u>\$313,046</u>	<u>\$7,333,000</u>

Central Valley Project Improvement Act
Projected Restoration Payments (Subsection 3407(c) & (d))
for Fiscal Year 1998

<u>WATER SALES REVENUES (\$)</u>			
<u>SERVICE AREA</u>	<u>IRRIGATION</u>	<u>M&I</u>	<u>TOTAL</u>
FOLSOM			
Folsom Dam & Reservoir	\$0	\$557,133	\$557,133
Folsom-South Canal	0	67,450	67,450
Sugar Pine Dam & Reservoir	0	9,443	9,443
Sly Park Dam & Reservoir	40,492	242,818	283,310
Total Folsom	40,492	876,844	917,336
TRACY			
Contra Costa Canal	3,374	1,348,990	1,352,364
Delta-Mendota Canal	1,609,096	112,857	1,721,953
San Luis Canal-Tracy	909,374	7,082	916,456
New Melones Dam & Reservoir	182,212	182,114	364,326
San Felipe Unit	271,800	1,164,178	1,435,978
Total Tracy	2,975,856	2,815,221	5,791,077
FRESNO			
San Luis Canal-Fresno	5,628,332	195,941	5,824,273
Friant Dam	0	1,686	1,686
Friant-Kern Canal	7,940,642	879,799	8,820,441
Cross Valley Canal	176,152	1,808	177,960
Madera Canal	2,212,191	0	2,212,191
Delta-Mendota Pool	324,452	0	324,452
Buchanan Unit	161,966	0	161,966
Hidden Unit	161,966	0	161,966
Total Fresno	16,605,701	1,079,234	17,684,935
SHASTA			
Clear Creek Unit	0	23,607	23,607
Shasta Dam & Reservoir	0	30,433	30,433
Spring Creek Conduit	0	61,163	61,163
Cow Creek Unit	0	72,845	72,845
Toyon Pipeline	0	38,203	38,203
Sacramento River - Shasta	1,235	80,656	81,891
Total Shasta	1,235	306,907	308,142

Central Valley Project Improvement Act
Projected Restoration Payments (Subsection 3407(c) & (d))
for Fiscal Year 1998

<u>WATER SALES REVENUES (\$)</u>			
SERVICE AREA	<u>IRRIGATION</u>	<u>M&I</u>	<u>TOTAL</u>
WILLOWS			
Corning Canal	0	297	297
Tehama-Colusa Canal	0	944	944
Black Butte Dam & Reservoir	539	540	1,079
Colusa Basin Drain	101,229	0	101,229
Feather River	53,989	0	53,989
Sacramento River - Willows	759,325	0	759,325
Total Willows	<u>915,082</u>	<u>1,781</u>	<u>916,863</u>
Restoration Payments			
Irrigation and M&I	<u>\$20,538,366</u>	<u>\$5,079,986</u>	<u>\$25,618,352</u>
Restoration Payment - Irrigation	\$20,538,366		
Restoration Payment - M&I	5,079,986		
Restoration Payment - Power	30,648		
Total	<u>\$25,649,000</u>		

Central Valley Project Improvement Act
Projected Expenditures for Fiscal Year 1998

<u>FISH AND WILDLIFE RESTORATION ACTIVITIES</u>	<u>SUBSECTION</u>	<u>AMOUNT (\$)</u>
Construction		
Habitat Restoration, Improvement, & Acquisition		
Anadromous Fish Program	3406(b)(1)	\$6,217,000
Other CVP Impacts	3406(b)(1) Other	1,200,000
Dedicated Project Yield	3406(b)(2)	1,750,000
Water Acquisition	3406(b)(3)	4,786,000
Flow Fluctuation Study	3406(b)(9)	150,000
Reservoir Storage	3406(b)(19)	50,000
Stanislaus Rvr Basis Water Needs	3406(c)	250,000
San Joaquin Basin Action Plan	3406(d)	2,429,000
Refuge Water Supply	3406(d)(1-4)	800,000
Refuge Wheeling	3406(d)(5)	4,000,000
Private Wetlands/Joint Venture	3406(d)(6)	50,000
Supporting Investigations	3406(e)	150,000
Ecol/Water System Operations Model	3406(g)	350,000
Land Retirement	3408(h)	8,800,000
Other Fish and Wildlife Restoration Activities		
Coleman National Fish Hatchery	3406(b)(11)	4,673,000
Restore Spawning Gravel	3406(b)(13)	50,000
CVP Project Assessment/Monitoring Program	3406(b)(16)	1,855,000
Anderson-Cottonwood ID	3406(b)(17)	90,000
Anadromous Fish Screening Program	3406(b)(21)	2,000,000
Flood Agr Lands for Waterfowl/Yld Enhancement	3406(b)(22)	1,000,000
Total Projected Expenditures Fiscal Year 1998		<u>\$40,650,000</u>